

BOARD OF TOWNSHIP TRUSTEES
ANDERSON TOWNSHIP
HAMILTON COUNTY, OHIO

The Board of Township Trustees met in regular session at 3:00 p.m. this 7th day of April, 2022, with the following members present:

Joshua S. Gerth
R. Dee Stone
Lexi Lausten

Mrs. Lausten introduced the following resolution and moved its passage:

RESOLUTION 22-0407-04

**A LIMITED HOME RULE RESOLUTION
AUTHORIZING ESTABLISHMENT OF A SEPARATE FUND IDENTIFIED AS FUND
#54, AND PROVIDING THAT THE TOWNSHIP'S LOCAL SHARE OF ONEOHIO
FUNDS BE PLACED IN SAID FUND TO BE USED ONLY FOR APPROVED
PURPOSES UNDER THE ONEOHIO MEMORANDUM OF UNDERSTANDING,
AND DECLARING AN EMERGENCY**

WHEREAS, by virtue of adoption of Resolution No. 03-0918-18, effective October 19, 2003, this Board of Township Trustees (the "Board") adopted a home rule form of government for Anderson Township, County of Hamilton, Ohio (the "Township"); and

WHEREAS, by Resolution Nos. 21-0819-26 and 21-1202-06, this Board accepted the material terms of the OneOhio Subdivision Settlement pursuant to the OneOhio Memorandum of Understanding (the "Memorandum") and consistent with the terms of the July 21, 2021 National Opioid Settlement Agreement, and authorized participation in the proposed settlement and execution of the participation forms with respect thereto; and

WHEREAS, the Township is a Local Government within the meaning of the Memorandum, which establishes a mechanism to disburse settlement proceeds from opioid litigation to Ohio's communities to help abate the opioid crisis, including allocations to Local Governments and Regions through a statewide Foundation (the "Foundation"); and

WHEREAS, the Township is a participant in Region 2 as established by the Memorandum; and

WHEREAS, pursuant to the Memorandum, each Region shall create its own governance structure to ensure that all Local Governments have input and equitable representation regarding regional decisions, including representation on the Board of the Foundation, and selection of

projects to be funded from the Region's regional Share (within the meaning of the Memorandum); and

WHEREAS, each Region has the responsibility to make submissions regarding the allocation of funds to projects that will equitably serve the needs of the entire Region; and

WHEREAS, by Resolution No. 22-0317-08, this Board approved, subject to the concurrence of all Local Governments in Region 2 as evidenced by legislative action duly taken by those Local Governments, the Region 2 governance structure; and

WHEREAS, the Ohio Auditor of State issued Bulletin 2022-003 dated March 10, 2022 (the "Bulletin"), regarding the \$808 million agreement with the three largest distributors of opioids, the OneOhio plan mechanism for distribution of funds in the State of Ohio, and the separate accountability and accounting guidance for the Local Government Share of the OneOhio Opioid Settlement Funds ("OneOhio Funds"); and

WHEREAS, the Bulletin, a copy of which is attached hereto as Exhibit A and by this reference is incorporated herein, identifies approved uses of OneOhio Funds (the "Approved Uses") and the Abatement Strategies agreed upon in the Memorandum; and

WHEREAS, the Township does not intend to use its Local Government Share for past expenditures, but will use its Local Government Share allocations only for Approved Purposes undertaken subsequent to this date; and

WHEREAS, Section 5705.09(F) of the Ohio Revised Code requires subdivisions to establish separate funds for each class of revenue derived from a source other than the general property tax, which the law requires to be used for a particular purpose, and Section 5705.10(I) of the Ohio Revised Code requires that money paid into such a fund must be used only for the purposes for which such fund is established; and

WHEREAS, the Township has not yet received any of its Local Government Share of OneOhio Funds, but upon receipt those OneOhio Funds shall be placed in a special separate fund created hereby and used only for the Approved Purposes as required by the Memorandum, with each such expenditure and how it meets the Approved Purposes definition of the Memorandum to be clearly documented;

NOW THEREFORE, BE IT RESOLVED, by the Board of Township Trustees of Anderson Township, County of Hamilton, Ohio, that:

SECTION 1. This Resolution is passed in the exercise of this Board's limited home rule powers under Chapter 504 of the Revised Code.

SECTION 2. The Fiscal Officer shall provide for the establishment of a special separate fund of the Township to be identified as Fund #54, consistent with Section 5705.09(F) of the Ohio Revised Code, into which fund only Local Government Share OneOhio Funds received by the Township shall be deposited. Further, consistent with

Section 5705.10(I) of the Ohio Revised Code, the Township's Local Government Share deposited therein must be used only for Approved Purposes as set forth in the Bulletin.

SECTION 3. Upon majority vote, the Board hereby dispenses with the requirement that this Resolution be read on two separate days, pursuant to Section 504.10 of the Revised Code, and authorizes the passage of this Resolution upon its first reading.

SECTION 4. If passed by a unanimous vote, pursuant to Section 504.11(B) of the Revised Code, this Resolution shall take effect immediately, and shall be posted for fifteen days in five of the most public places in the Township, as previously determined by this Board, which posting is hereby ordered.

SECTION 5 The preambles hereto are and shall for all purposes be construed to be integral and operative parts of this Resolution.

SECTION 6. This Resolution is hereby declared to be an emergency measure, necessary for the preservation of public peace, health, welfare, and safety of the Township and to ensure prompt pursuit of funds to assist in abating the opioid epidemic throughout Ohio.

SECTION 7. That it is found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal actions were taken in meetings open to the public in compliance with all legal requirements including, without implied limitation, Section 121.22 of the Revised Code, except as otherwise permitted thereby.

EXHIBIT A

Auditor of State Bulletin 2022-003



Auditor of State Bulletin
Bulletin 2022-003

DATE ISSUED: March 10, 2022

TO: All County, City, Township, Village Officials and Independent Public Accountants

FROM: Keith Faber
Ohio Auditor of State

SUBJECT: OneOhio Opioid Settlement

Ohio reached an \$808 million agreement with the three largest distributors of opioids. The state developed the OneOhio plan, a mechanism to ensure that any money from a negotiated settlement is distributed fairly to the communities hit hardest by the opioid crisis.

The settlement agreement allocates 30% to local governments (LG Share), 55% to a foundation that will distribute funds to projects, and 15% to the Office of the Ohio Attorney General as Counsel for the State of Ohio. This bulletin will focus on the allocation of settlement proceeds provided directly to local governments in the LG Share.

The purpose of this bulletin is to emphasize the separate accountability and accounting guidance for the LG Share of the OneOhio Opioid Settlement Funds (OneOhio Funds).

Approved Uses of the Local Government Share

OneOhio Funds must be utilized in a manner consistent with the "Approved Purposes" definition in the OneOhio memorandum of understanding (MOU). According to the MOU, the Funds must be used for "evidence-based forward-looking strategies, programming and services used to (i) expand the availability of treatment for individuals affected by substance use disorders, (ii) develop, promote and provide evidence-based substance use prevention strategies, (iii) provide substance use avoidance and awareness education, (iv) decrease the oversupply of licit and illicit opioids, and (v) support recovery from addiction services performed by qualified and appropriately licensed providers[.]"

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Additionally, Exhibit A of the MOU sets forth agreed Ohio Opioid Abatement Strategies.

The Ohio Opioid Abatement Strategy includes three main components:

1. Strategies for Community Recovery: Included but not limited to prevention, treatment, recovery support and community recovery projects (examples include child welfare, law enforcement strategies and other infrastructure supports). These strategies have a hyper-local focus that allows communities to collaborate and expand necessary services to their community.
2. Strategies for Statewide Innovation & Recovery: Included but not limited to strategies included in Community Recovery Component but also projects that promote statewide change and regional development for prevention, treatment, recovery supports and community recovery (examples include regional treatment hubs, drug task forces, data collection and dissemination). This component also includes research and development to understand how to better serve individuals and families in Ohio.
3. Strategies for Sustainability: Ohio's addiction and mental health epidemic was not created overnight, and it will not go away immediately. By collaborating to share resources and knowledge, Ohio's state and local communities can build a sustainable financing strategy and infrastructure to reverse the damage that has been done and prevent future epidemics and crises.

The LG Share of the OneOhio Funds can also be used for past expenditures that are consistent with the approved purposes definition.

Accounting for the Local Government Share

Ohio Rev. Code §5705.09(F) requires subdivisions to establish separate funds for each class of revenue derived from a source other than the general property tax, which the law requires to be used for a particular purpose. Additionally, Ohio Rev. Code §5705.10(I) states that money paid into a fund must be used only for the purposes for which such fund is established.

Before the local government receives its portion from the state, the Auditor of State (AOS) recommends that each participating subdivision accepting the Funds provide by a written ordinance or resolution that the LG Share of the OneOhio Funds shall be placed in a separate fund and used only for the approved purposes as required by the OneOhio MOU. As the special fund is created under Ohio Rev. Code § 5705.09(F), local governments do not need to seek AOS approval for establishing this new fund.

AOS recommends that each participating subdivision accepting OneOhio Funds clearly document their rationale for each expenditure. This documentation is best provided by legislation adopted by the entity's legislative body explaining how the expenditure meets the approved purposes definition of the OneOhio MOU. To aid in our future audit work, we also ask that each expenditure be carefully tracked and adequate documentation of the expenditure be maintained.

For any expenditures previously made by a local government that are eligible for reimbursement with moneys from the LG Share, the local government must pass an ordinance or resolution that identifies

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the prior expenditures and explains its determination that expenditures are for approved purposes consistent with the OneOhio MOU.

If local governments are using OneOhio Opioid Settlement dollars to reimburse expenditures from another fund, local governments have two options:

Reallocation method - Local governments should receipt the OneOhio Opioid Settlement dollars into the special revenue fund. If the original expenditure was made in the same fiscal year, the local government can reallocate the original expenditure from the original fund to the special revenue fund. Local governments should maintain documentation to support the reallocation. Local governments on the Uniform Accounting Network (UAN) system should refer to UAN for information on how to properly handle reallocations of expenditures in the UAN system. For guidance UAN provided to users to reallocate/reimburse receipts and expenditures using Coronavirus Relief Fund awards, click [here](#). Similar steps will apply to OneOhio Opioid Settlement dollars.

Invoice method - Local governments should receipt the OneOhio Opioid Settlement dollars into the special revenue fund. Management should prepare a detailed invoice documenting the fund that reported the original expenditure of allowable cost(s) (Original Fund), charge the invoice to the OneOhio Opioid Settlement Fund, and record a reduction of the appropriate expenditure if the reimbursement is within the same fiscal year as the original expenditure. Miscellaneous revenue may be a better choice if the reimbursement relates to a prior fiscal year. Some judgment may be needed to determine the best presentation of these amounts in each particular circumstance. Local governments should charge the appropriate functions/objects within the OneOhio Opioid Settlement Fund based on the billing received from the Original Fund. This method is most useful when the original expenditures were made in one year and receipt of the OneOhio Opioid dollars money didn't occur until the following year.

The AOS encourages recipients of OneOhio Funds to consult with their legal counsel as they plan to utilize the Funds.

Questions

This bulletin is not intended to answer all questions that local governments may have. AOS will continue to provide updated guidance.

If you have any questions regarding the information presented in the Bulletin, please contact the Center for Audit Excellence at the Auditor of State's Office at (800) 282-0370.



Keith Faber
Ohio Auditor of State

Mrs. Stone seconded the motion, and the roll being called upon the question of passage, the vote resulted as follows:

Mr. Gerth yes Mrs. Stone yes Mrs. Lausten yes

CERTIFICATION

The undersigned, duly elected and acting Fiscal Officer of Anderson Township, Hamilton County, Ohio, hereby certifies that the foregoing is a true copy of a Resolution duly passed at a regular meeting of the Board of Township Trustees of said Township on the 7th day of April, 2022, together with a true record of the roll call vote thereon, and that said Resolution has been duly entered upon the Journal of said Township.

This 7th day of April, 2022.

/s/Kenneth G. Dietz
Kenneth G. Dietz, Fiscal Officer